

SENATE BILL REPORT

SB 6081

As of January 16, 2018

Title: An act relating to distributed generation.

Brief Description: Concerning distributed generation.

Sponsors: Senators Palumbo, Carlyle, Mullet, Wellman, Ranker, Keiser, McCoy, Frockt, Rolfes, Pedersen and Hasegawa.

Brief History:

Committee Activity: Energy, Environment & Technology: 1/17/18.

Brief Summary of Bill

- Removes the 0.5 percent utility cap for the cumulative generating capacity for net metering systems.
- Requires, as of March 31, any remaining unused kilowatt-hour (kWh) credit generated for the calendar year to be used to assist low-income residential utility customers.
- Requires electric or gas utilities to include on customer bills the total amount of kWh of electricity consumed for the most recent 12-month period.

SENATE COMMITTEE ON ENERGY, ENVIRONMENT & TECHNOLOGY

Staff: Kimberly Cushing (786-7421)

Background: Net Metering. Net metering allows electricity customers to offset their consumption of purchased electricity with electricity generated by their own small-scale, renewable systems. Net-metered electricity is valued at the utility's retail rate. Under current law, a net-metering system must be located on a customer's premises and must generate no more than 100 kilowatt (kW) using cogeneration, fuel cells, water, wind, solar energy, or biogas. On April 30 of each year, any remaining unused kWh credit accumulated during the previous year must be granted to the utility without compensation to the customer.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Electric utilities must offer to make net metering available to eligible customer-generators on a first-come, first-served basis until the cumulative generating capacity of net metering systems equals 0.5 percent of the utility's peak demand during 1996.

As of November 2017, at least 12 utilities, representing more than 62 percent of retail customers in Washington, have exceeded the 0.5 percent threshold.

Information Required on Customer Billings. Any customer billing issued by a light or power business that serves more than 20,000 customers in Washington must include:

- the rates and amounts of taxes paid directly by the customer on products or services from the light and power business; and
- the rate, origin, and approximate amount of each tax levied on the revenue of the light and power business.

Summary of Bill: Net Metering. The 0.5 percent cap for each utility's cumulative generating capacity of net metering systems is removed.

The date changes from April 30 to March 31 for determining whether a customer has any remaining unused kWh credit accumulated. Additionally, any unused kWh credits on March 31 are required to be used to assist low-income residential utility customers.

Amount of kWh of Electricity on Customer Bills. All electric or gas utilities in Washington that serve more than 20,000 customers are required to include the total amount of kWh of electricity consumed for the most recent 12-month period on customer bills.

The State Building Code Council Study. The State Building Code Council, in consultation with the Department of Commerce and local governments, is required to conduct a study of the building code and adopt changes necessary to encourage greater use of renewable energy systems.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.